

Care Services Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Division Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000	
EDUCATION CARE & HEALTH SERVICES DEPARTMENT									
Adult Social Care									
22,012	Assessment and Care Management	21,477	22,738	23,872	1,134	1	1,142	1,709	
	DOLS funding held in contingency			0	0		Cr 118	0	
	Management action			0	0		Cr 170	Cr 340	
1,119	Direct Services	1,073	422	425	3		3	0	
1,258	Commissioning & Service Delivery	548	0	0	0		0	0	
31,032	Learning Disabilities	30,875	31,166	32,113	947	2	833	2,433	
	Planned LD savings from management action	0	0	Cr 107	Cr 107		Cr 145	Cr 615	
5,588	Mental Health	6,063	5,964	6,092	128	3	203	348	
	Planned MH savings from management action	0	0	Cr 23	Cr 23		Cr 50	Cr 179	
Cr 472	Better Care Funding - Protection of Social Care	0	0	Cr 808	Cr 808	4	Cr 527	0	
0	Better Care Fund / Improved Better Care Fund	0	0	Cr 935	Cr 935	5	Cr 935	Cr 629	
60,537		60,036	60,290	60,629	339		236	2,727	
Operational Housing									
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0	
Cr 2,018	Housing Benefits	Cr 1,945	Cr 1,945	Cr 1,945	0		0	0	
7,128	Housing Needs	6,299	7,452	7,553	101	6	170	540	
1,107	Supporting People	1,072	1,072	986	Cr 86	7	Cr 86	Cr 65	
6,217		5,425	6,578	6,593	15		84	475	
Programmes									
206	Programmes Team	343	1,881	1,699	Cr 182	8	Cr 83	0	
	Information & Early Intervention								
2,064	- Net Expenditure	2,960	3,709	3,181	Cr 528		Cr 377	0	
Cr 2,064	- Recharge to Better Care Fund	Cr 2,960	Cr 3,755	Cr 3,227	528		377	0	
	Better Care Fund								
20,010	- Expenditure	20,428	20,585	20,585	0		0	0	
Cr 20,154	- Income	Cr 20,589	Cr 20,746	Cr 20,746	0		0	0	
	Improved Better Care Fund								
0	- Expenditure	0	4,184	4,184	0		0	0	
0	- Income	0	Cr 4,184	Cr 4,184	0		0	0	
	NHS Support for Social Care								
320	- Expenditure	0	1,528	1,528	0	0	0		
Cr 320	- Income	0	Cr 1,528	Cr 1,528	0	0	0		
62		182	1,674	1,492	Cr 182		Cr 83	0	
Strategic & Business Support Services									
261	Learning & Development	267	299	299	0	9	0	0	
2,000	Strategic & Business Support	2,156	2,276	2,000	Cr 276		Cr 176	0	
2,261		2,423	2,575	2,299	Cr 276		Cr 176	0	
Public Health									
15,159	Public Health	15,103	15,103	14,982	Cr 121		Cr 44	0	
Cr 15,478	Public Health - Grant Income	Cr 15,096	Cr 15,096	Cr 14,975	121		44	0	
Cr 319		7	7	7	0		0	0	
68,758	TOTAL CONTROLLABLE ECHS DEPT	68,073	71,124	71,020	Cr 104		61	3,202	
Cr 581	TOTAL NON CONTROLLABLE	360	366	445	79		7	0	
6,283	TOTAL EXCLUDED RECHARGES	6,285	5,528	5,528	0		0	0	
74,460	TOTAL ECHS DEPARTMENT	74,718	77,018	76,993	Cr 25		68	3,202	
Environmental Services Dept - Housing									
213	Housing Improvement	199	199	206	7	10	0	0	
213	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	199	199	206	7		0	0	
Cr 1,149	TOTAL NON CONTROLLABLE	Cr 828	Cr 828	Cr 828	0		0	0	
290	TOTAL EXCLUDED RECHARGES	360	360	360	0		0	0	
Cr 646	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 269	Cr 269	Cr 262	7		0	0	
73,814	TOTAL CARE SERVICES PORTFOLIO	74,449	76,749	76,731	Cr 18		68	3,202	

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £1,134k**

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Current</u> <u>Variation</u> £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	374
- Savings included in 17/18 budget	500
- management action to achieve 17/18 savings	0
- Domiciliary Care / Direct Payments	310
	<u>1,184</u>
Services for 18 - 64	
- Placements	108
- Domiciliary Care / Direct Payments	140
	<u>248</u>
Other Services	
- Adult Transport	Cr 31
- Day Care	Cr 147
- Other budgets	Cr 120
	<u>Cr 298</u>
	<u>1,134</u>

The budget for 2017/18 included total savings of £782k in relation to Assessment & Care Management. Overall the service is currently projecting an overspend of £1,134k. Savings of £170k assumed at the last budget monitoring are now not expected to be realised for the remainder of this year due to an increase in costs and have been removed. Costs in this service are extremely volatile, and include significant budgets relating to client contributions which can change significantly during the year.

Services for 65+ - Dr £1,184k

Services for the age 65 and over age group has the biggest budget pressure with both residential and community placements currently projecting an overspend. Numbers in both residential and nursing care are currently 29 above the budget number of 389, a slight reduction of 2 placements since the numbers reported in September. There is currently a projected overspend of £374k on these budgets, a reduction of £8k. The budget had been profiled to take account of the £500k saving required this year, with a reduction in budgeted placement numbers during the year of 50 from 389 in April to 339 in March required to achieve the saving. As actual numbers are still above the budget level, none of this saving has yet been achieved. The remaining management action of £170k has now been removed as it is not expected this will be achieved by the end of the financial year.

Budgets for domiciliary care continue to see a pressure, with an increase in the overspend position of £55k reported this month and an overspend of £364k is now being projected. Although hours delivered appear to have reduced since the last report, income has also dropped at a much higher rate. Actual net expenditure is currently running at approximately £8k above the budget provision of £81k per week. Direct payments continue to underspend, with an increase of £28k in the underspend to £54k this period.

Services for 18 - 64 year olds - Dr £248k

Placements for the 18 - 64 age group are projected to be overspent by £108k, a reduction of £19k since September. There has been a slight reduction in overall client numbers of 1, with numbers currently 6 above the budget number of 42.

Domiciliary care and direct payments are currently projecting an overspend of £140k, which is an increase of £110k since September. The main increase is in domiciliary care, which has increased by £89k. Direct payments have increased by £21k.

Other - Cr £298k

There are projected underspends in adult transport services of £31k and day care of £147k. Other minor projected underspends across various services in the division total of £120k.

There are budget pressures relating to Deprivation of Liberty Safeguards and a projected overspend of £118k is currently anticipated. This is based on the current level of activity continuing and does not allow for any increase in demand or responsibilities. The £118k that is set aside in the central contingency for DoLS is therefore being requested as a drawdown this month to offset this pressure.

2. Learning Disabilities - Dr £840k Net of Planned Management Action

The full year effect of the 2016/17 overspend was funded in the 2017/18 budget however the 2017/18 LD budget was reduced by £636k (net) for the full year effect of 2016/17 budget savings.

There are significant LD budget pressures this year, including those arising from 2017/18 transition clients and increased, complex client needs. In addition, an 'invest to save' team of staff is employed to work on delivering savings but the cost of this team also adds to the cost pressures.

This set of projections is based on both actual information on current care packages and assumptions regarding clients expected to be placed in the remainder of this financial year, attrition etc. The assumptions include packages that have already been agreed at Panel but where the placement has not yet taken place (where the uncertainty is mainly around start dates) and those clients expected to require new placements or have increased needs this year but for whom both costs and start dates are uncertain.

To avoid overstating the assumptions, a 'probability factor' has been applied to reflect experience in previous years which has shown that there tends to be either slippage on planned start dates or clients aren't placed as originally expected. However there is a risk attached to this in that the majority of placements may go ahead as and when planned or there may be clients placed who aren't included in the forecast. Given the relatively late stage in the financial year this is a less relevant factor than in previous monitoring cycles.

Prior to factoring in planned savings, a projected overspend of £947k is currently anticipated. It has been assumed that savings of £107k can be achieved from management action in the remainder of 2017/18 (£615k in a full year) and this reduces the projected overspend to £840k. Progress on achieving savings will continue to be monitored closely.

3. Mental Health - Dr £105k Net of Planned Management Action

Based on current information, a projected overspend of £105k on Mental Health placements is now anticipated. This figure assumes that £23k of savings can be achieved from management action in the remainder of 2017/18, without which the overspend would be higher.

A degree of mis-classification of new clients' Primary Support Reasons (PSRs) continues from last financial year and this distorts the projections. Current indications are that this is likely to be overstating MH projected spend. Although this may shift the position for Mental Health and other PSRs individually, it won't affect the overall Care Services position as, if the clients are not MH, they will move to another PSR budget but still within Care Services.

4. Better Care Fund - Protection of Social Care - Cr £808k

A number of local authority adult social care services are funded by the element of the Better Care Fund set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services are currently projected to underspend by £808k in 2017/18 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

5. Better Care Fund / Improved Better Care Fund - Cr £935k

On the 13th September 2017 the Executive agreed to allocate £495k from the Better Care Fund to alleviate cost pressures that LBB have incurred as a result of reduced preventative services as the contract with Bromley Third Sector Enterprises did not start until the 1st October 2017.

On the 10th October 2017 the Executive agreed to set aside £515k of IBCF funding, in the main as a result additional care packages being identified through the work of the Integrated Care Network. Some of this funding will be used for staffing. The remainder (£440k) will be used to offset costs incurred.

6. Housing Needs - Dr £101k

The Travellers budget is overspending by £79k and this is due to one of the sites experiencing high use of utilities (overspend of £63k) due to the site not having meters and loss of income (£26k) due to particular residents rent arrears. This has been partially offset by an underspend on the staffing costs of these sites.

The remaining £22k overspend is due an overspend on the temporary accommodation budget (£90k) that is being offset by the underspend on staffing costs (£68k).

7. Supporting People - Cr £86k

There is currently expected to be an underspend of £86k. This was expected following the renegotiations of the contracts over the last few years to achieve the savings made on the budget.

8. Programmes Division - Cr £182k (net)

The total projected underspend for the Division is £710k. Of this, £528k relates to social care services protected by Better Care Funding and included at ref 4 above. This will be used to offset other budget pressures within adult social care in line with the intentions of the funding, leaving an underspend of Cr £182k relating to the Programmes Division. This largely relates to part-year vacancies and is non-recurrent.

Other than variations on the protection of social care element, it is assumed that any underspends on other Better Care Fund budgets will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG.

Following approval at the Executive on 10th October 2017, IBCF funding has been released from the central contingency and allocated to the ECHS budget.

The grant for 2017/18 is £4.184m. There are likely to be underspends in 2017/18, partly because allocations were agreed relatively late in the financial year. In line with the report to the Executive, underspends can be carried forward to support expenditure in future years, so a net nil variance is reported.

9. Strategy Division - Cr £276k

The underspend is, in the main, due to a combination of a one off freeze on non-essential running expenses across the Division and staff vacancies.

10. Environmental Services Department - Housing Improvement - Dr £7k

There is a projected shortfall within renovation grant agency fee income of £15k, due to a delay in OT assessments and referrals for work to be carried out which has a corresponding effect on the fees earned by the Housing Improvement team. This is partly offset by £8k underspend on staffing.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

Since the last report to the Executive there were 11 waivers agreed for care placements in adults social care over £50k but less than £100k and 9 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts, and would also include placements where there is a third party contributor such as Health.

There were no contract waivers agreed during the period.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" are included in financial monitoring reports to the appropriate Executive meeting.

Since the last report there have been the following virements: £66k transfer of resources for Programmes and Strategy staffing from other Portfolios.

FULL YEAR EFFECTS 2018/19

Description	2017/18 Latest Approved Budget £'000	Variation To 2017/18 Budget £'000	Potential Impact in 2018/19
Housing Needs - Temporary Accommodation	7,452	22	The full year effect of Temporary Accommodation is currently estimated to be £540k in 2018/19. This estimate only takes into account the projected activity to the end of this financial year and not any projected growth in client numbers beyond that point. The costs are expected to be covered by a contingency bid during 2018/19 as has been the case for a number of years.
Assessment and Care Management - Care Placements	20,997	1,432	The full year impact of the current overspend is estimated at Dr £1,369k. £949k of this relates to residential and nursing home placements and £420k to domiciliary care / direct payments. This is based on client numbers as at the end of December and given the volatility of these budgets may change during the remainder of the year. In addition, the fye is reduced by iBCF funding of £629k in 2018/19, reducing the overall fye to Dr £740k.
Learning Disabilities - including Care Placements, Transport and Care Management	31,166	840	The full year effect is estimated at an overspend of £1,818k which is higher than the current year's overspend. This is partly because the forward assumptions are based on a net increase in the number / cost of LD clients (clients expected to be placed in-year in 2017/18 will only have a part year cost in 2017/18 but a full year cost in 2018/19 and new / increased packages exceed savings being achieved / planned). The Invest to Save Team is a non-recurrent cost so this reduces the FYE pressure. The FYE overspend of £1,818k is after allowing for planned savings of Cr £615k. If these aren't delivered in full the FYE overspend will be higher.
Mental Health - Care Placements	5,964	105	There is currently a full year overspend of £169k anticipated on Mental Health placements. Similar to Learning Disabilities above, this is after allowing for planned savings and if these aren't delivered in full the FYE overspend will be higher. There continues to be a degree of misclassification of clients' Primary Support Reasons (PSRs) and this may result in projections shifting between PSRs in future months.
Supporting People	1,072	Cr 86	The full year effect of Supporting People is currently estimated to be a credit of £65k. This is a result of the estimated savings from retendering of the contracts.

Reconciliation of Latest Approved Budget	£'000
2017/18 Original Budget	74,449
Carry Forwards:	
Social Care Funding via the CCG under s75 agreements	
Integration Funding - Better Care Fund	
- expenditure	28
- income	Cr 28
Better Care Fund - GoodGym	
- expenditure	25
- income	Cr 25
Better Care Fund	
- expenditure	132
- income	Cr 132
Fire Safety Grant	
- expenditure	57
- income	Cr 57
DCLG Preventing Homelessness Grant	
- expenditure	153
- income	Cr 153
Community Housing Fund Grant	
- expenditure	62
- income	Cr 62
Implementing Welfare Reform Changes	
- expenditure	56
- income	Cr 56
Helping People Home Grant	
- expenditure	40
- income	Cr 40
Other:	
National Living Wage	912
Homelessness Early Intervention and Visiting	310
Water treatment works	5
Contract monitoring resources transferred to Resources Portfolio	Cr 31
Improved Better Care Fund	
- expenditure	4,184
- income	Cr 4,184
Transfer of Central Placements Team	79
Transfer of funding for posts to / from other Portfolios (net)	56
Funding of additional costs re Liberata contract	Cr 4
Homelessness Temporary Accommodation Drawdown	844
Public Health	
- funding transferred to Childrens Social Care	Cr 490
- recharge to public health	490
Provision for inflation - Extra Care Housing	11
Flexible Homelessness Support Grant	
- Grant related expenditure	2,107
- Grant related income	Cr 2,107
Homelessness Reduction Grant	
- Grant related expenditure	255
- Grant related income	Cr 255
Homelessness Reduction ACT IT upgrade for new reporting requirements	
- Grant related expenditure	9
- Grant related income	Cr 9
Items Requested this Cycle:	
Deprivation of Liberty	118
Latest Approved Budget for 2017/18	<u>76,749</u>